

# Broadband Infrastructure Laws in Alaska

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# Issues Private Providers Face When Deploying Broadband

- ▶ Potential return on investment
  - ▶ Lack of sufficient customer base
  - ▶ Subsidized competition
  - ▶ High equipment costs
  - ▶ High administrative costs
- ▶ Lack of access to spectrum

# Administrative costs

- ▶ Local governments play a major role in many states in the broadband process
  - ▶ Granting access to public rights-of-way
  - ▶ Franchising providers
  - ▶ Reviewing and approving construction permitting
- ▶ Navigating these processes add additional costs to the deployment process

# Costs limiting investment

- ▶ Each of these processes imposes costs on broadband providers
  - ▶ Money
  - ▶ Time
- ▶ Example: Kansas City, Missouri
  - ▶ Google Fiber
  - ▶ \$84 million
  - ▶ Received cooperation from the city to streamline approval processes
  - ▶ Without streamlined processes, the project would require 37,000 permits and about \$2,000,000 on the Missouri side alone

# Federal Government

- ▶ Pole attachments
- ▶ Restrictions on fees and shot clocks on local review for small cell deployments
- ▶ Limiting applicability of tribal review
- ▶ One touch make-ready
- ▶ Updating Nationwide Programmatic Agreement

# Need for States to Go Further

- ▶ Lack of deemed granted remedies
- ▶ Limited to small cell deployment
- ▶ Permanence
- ▶ Limited authority over non-private infrastructure

# Broadband Scorecard: Access to Rights-of-Way

- ▶ Prohibiting Exclusivity
- ▶ Publishing of ROW Fees
- ▶ ROW Fees
  - ▶ Cost Based
  - ▶ Hard Capped
- ▶ Alaska law governing access to public rights-of-way 42.05.251
  - ▶ Public utilities have the right to a permit to use public streets, alleys, and other public ways of a municipality upon payment of a reasonable permit fee and on reasonable terms and conditions and with reasonable exceptions the municipality requires. The fee may not exceed the actual cost to the municipality of the utility's use of the public way and of administering the permit program.

# Broadband Scorecard: Construction Permitting

- ▶ Collocation
  - ▶ Cost based
  - ▶ Fee caps
  - ▶ Shot clocks
- ▶ Pole replacement
  - ▶ Cost based
  - ▶ Fee caps
  - ▶ Shot clocks
- ▶ Batch applications
- ▶ Telecommunications construction generally
  - ▶ Cost based
  - ▶ Fee caps
  - ▶ Shot clocks

# Broadband Scorecard: Franchising

- ▶ Franchise fee cap
- ▶ Statewide franchising
- ▶ Application review
  - ▶ Fee cap
  - ▶ Shot clock

# Broadband Scorecard: Miscellaneous Categories

- ▶ Exemption from zoning review
  - ▶ New/replacement poles
  - ▶ Collocation
- ▶ Bans on moratorium
- ▶ Restrictions on in-kind contributions
- ▶ Dig-once

# Short-falls of Infrastructure Reforms/Scorecard

- ▶ Limiting costs for deployment make more areas profitable, but does not change the potential revenue from a deployment
- ▶ Federal law governs much of Alaska, especially middle mile areas between communities
  - ▶ A community may generate enough revenue with local reforms to make deployment possible if all the provider must do is extend to additional households, but not if the provider must lay the backhaul
- ▶ Scorecard only reviews state laws, PUC and local governments can establish similar laws/regulations but the state would still receive a low score
- ▶ Categories not considered
  - ▶ Pole replacement cost-sharing
  - ▶ Municipal broadband
  - ▶ Railroad rights-of-way
- ▶ Key Takeaway: Infrastructure reforms envisioned by the scorecard support tangential programs and efforts to deploy broadband, but will not be a silver bullet.